

**IMMEDIATE RELEASE**

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**State Signs Three KanCare Contracts**

*Additional health benefits, larger than projected cost savings included*

**Topeka** - The State of Kansas on Wednesday awarded contracts to three companies that will partner with state agencies to improve health outcomes and curb the growth of spending in Kansas Medicaid. These contracts will provide significant additional benefits for Medicaid beneficiaries not previously offered by Kansas Medicaid, including preventative dental benefits for adults, heart and lung transplants, and bariatric surgery.

After an extensive bidding and review process, Amerigroup Kansas, Inc., Sunflower State Health Plan, and United Healthcare of the Midwest, Inc. were awarded contracts. The partners will begin work today; KanCare will launch in January 2013.

"These new KanCare plans will provide our most vulnerable Kansans with superior service at a more sustainable price," said Lt. Governor Jeff Colyer. "As a doctor, I know the additional services provided in these contracts will lead to needy Kansans leading happier, healthier lives."

The rates the State and contractors have agreed to will increase the projected savings from KanCare to more than \$1 billion in the next five years compared to the current projected growth in Medicaid. When KanCare was announced last November, the estimated savings were \$853 million during the same time period.

"The current Medicaid program is financially unsustainable and provides fragmented services to our most vulnerable Kansans who deserve far better care. KanCare will facilitate improved care coordination and allow us to offer additional services while also slowing the cost growth over time. We look forward to working with the KanCare companies to improve these services in our State," said Robert Moser, MD, KDHE Secretary and State Health Officer.

KanCare will cover the medical, behavioral health, and long-term care services for all Medicaid consumers beginning Jan. 1, 2013, with the exception of long-term services and supports for individuals with developmental disabilities, which will launch Jan. 1, 2014. Kansas is continuing work to ensure smooth transition to the new Medicaid system through education campaigns and stakeholder workgroups.

"We continue to be responsive to the concerns and special needs of Kansans with developmental disabilities, as well as the other consumer groups within Medicaid. We welcome those impacted by KanCare to continue bringing issues and ideas to our attention," said Shawn Sullivan, Secretary of the Department on Aging, which will become the Department for Aging and Disabilities Services on July 1.

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